

MULTIMEDIA



UNIVERSITY

STUDENT ID NO

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# MULTIMEDIA UNIVERSITY

## FINAL EXAMINATION

TRIMESTER 2, 2015/2016

**BBM3824 – SMALL BUSINESS MANAGEMENT**

( All Groups )

29 FEBRUARY 2016

9.00 AM – 11.00 AM

(2 Hours)

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### INSTRUCTIONS TO STUDENTS

1. This Question paper consists of two (2) pages excluding cover page.
2. Attempt **FOUR (4)** out of FIVE questions. All questions carry equal marks and the distribution of the marks for each question is given.
3. Please write all your answers in the answer booklet provided.

**QUESTION 1**

- a. You going to start a new business by acquiring an existing business that the owner wants to sell. You as the prospective buyer of this business, should you investigate the possible reasons why the owner wants to sell? Discuss.  
(13 marks)
- b. Assuming you just started a mini market and at a new housing estate. Your shop is one of the few in the vicinity and your business operates until 11 pm. Discuss four methods you can apply to maintain the safety of your business  
(12 marks)

**QUESTION 2**

- a. What is franchising? Discuss the advantages and disadvantages of franchising from the viewpoints of the franchisee  
(13 marks)
- b. Discuss **THREE (3)** advantages and **THREE (3)** disadvantages of sole-proprietorship.  
(12 marks)

**QUESTION 3**

- a. Today many business owners are moving to digital era and using internet marketing to sell their products as well as providing information to customers. Discuss **FIVE (5)** components of internet marketing to advertise small business in their marketing efforts.  
(15 marks)
- b. Competition is very stiff in today's business environment. As a small entrepreneurial business, how can you gain competitive advantage over successful more powerful business?  
(10 marks)

**QUESTION 4**

- a. A new small business has been in business for a few months and the owner is concerned about effective selling. Advise him on the essential six steps of creative selling process.  
(13 marks)
- b. In any businesses it is very important to have a marketing plan. How could a marketing plan help businesses be more successful and for the company to grow?  
(12 marks)

**QUESTION 5**

- a. Net profit is one of the important indicators that determine business performance.  
How can a business consistently increase the net profit margin of a business?  
**(13 marks)**
- b. Explain why there is a need for small business to recruit quality employees.  
**(12 marks)**

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